

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
2007 Legislative Year**

Status as of October 15, 2007

D - Vetoed Bills

Bill Number	Author	Board Position	Status
AB 8	Nunez		10/12/2007-Vetoed by Governor

Universal Health Care Coverage

Creates the California Cooperative Health Insurance Purchasing Program (Cal-CHIPP), which would be administered by the MRMIB. Would require employers to provide health care to employees and dependents in an amount that is equivalent to 7.5 percent of the employer's total social security wages, or, alternatively, elect to have health care coverage provided through Cal-CHIP. Requires HHSA, in consultation with CalPERS, to assume lead agency responsibility for professional review and development of best practice standards in the care and treatment of persons with high cost chronic diseases, such as asthma and diabetes, to be implemented in every state health coverage program, including CalPERS. Requires HHSA to consult with CalPERS, and affected health provider groups, to develop performance measurement benchmarks for health care quality measurement and reporting into a common "pay for performance" model to be offered in every state-administered health care program, including PEMHCA. Would establish two new entities: the California Health Benefits Service (service) and the California Health Care Cost and Quality Transparency Commission (commission), both under the Health and Human Services Agency. CalPERS would be an ex-officio member of the commission, which would be responsible for developing, implementing and periodically updating a health care quality and cost containment plan for the state.

AB 8 Veto Message:

I am returning Assembly Bill 8 without my signature. While I appreciate the Legislature's efforts to reform our broken health care system and applaud the hard work that has gone into AB 8, I cannot sign this bill. AB 8 would put more pressure on an already broken system. AB 8 does not achieve coverage for all, a critical step needed to reduce health care costs for everyone. Comprehensive reform cannot leave Californians vulnerable to loss or denial of coverage when they need it most. Finally, to be sustainable, comprehensive reform cannot place the majority of the financial burden on any one segment of our economy. Unfortunately, AB 8 falls short on all three accounts. ? California needs a financially sustainable health care reform plan that shares responsibility, covers all Californians and keeps our emergency rooms open and operating. I cannot support reform efforts that fall short of these goals and threaten to weaken our already broken system. Sincerely, Arnold Schwarzenegger

AB 423	Beall	Support	10/14/2007-Vetoed by Governor
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Mandated Benefits: Mental Health Parity

Requires all health care service plans to provide coverage and treatment of patients with mental health disorders that is equitable to coverage provided for other medical illnesses. Would define mental illness for this purpose as a mental disorder defined in the Diagnostic and Statistical Manual IV, including substance abuse.

SB 423 Veto Message:

I am returning Assembly Bill 423 without my signature. While I share the author's interest in improving access to mental health and substance abuse services, I cannot support this bill as it would contribute to higher health care costs, potentially making coverage less affordable. California needs comprehensive health care reform that will provide coverage for all, promote shared responsibility and make health care more affordable. I encourage the author to work with me to enact comprehensive health care reform that will provide all Californians access to health coverage, strengthen prevention efforts, increase access to mental health and substance abuse services, and promote affordability. Sincerely, Arnold Schwarzenegger

Bill Number	Author	Board Position	Status
SB 259	Negrete McLeod		10/10/2007-Vetoed by Governor

Service Credit for CSU Academic Employees

Permits CSU academic employees who are granted a reduced pay leave, such as a sabbatical or difference in pay leave, on or after January 1, 2008 to receive full service credit during the leave through a payroll reporting process instead of through a service credit purchase option after return to full employment at the end of the leave. The employee and employer would be required to contribute to the retirement fund the amount that would have been contributed if the member was not on a reduced pay leave. This provision is subject to collective bargaining.

SB 259 Veto Message:

I am returning Senate Bill 259 without my signature. This bill is similar to legislation I vetoed last year. As I said at that time, I believe that the sabbatical leave system encourages faculty of the California State University to strive for professional growth and academic excellence. However, I maintain my position that determining what benefits an employee receives during a sabbatical is a matter for collective bargaining, not legislation. For this reason I am returning this bill without my signature. Sincerely, Arnold Schwarzenegger

SB 320	Alquist		10/14/2007-Vetoed by Governor
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California Health Care Information Infrastructure Program

Includes CalPERS in the group of agencies that the California Office of HIPAA Implementation (Cal-OHI) must consult with (one of over 10) to develop a plan for implementation of the California Health Care Information Infrastructure Program, whose purpose is to provide all Californians with a personal health record and electronic health record. Part of the implementation plan is to identify a lead agency to be responsible for administering the program.

SB 320 Veto Message:

I am returning Senate Bill 320 without my signature. While I am a strong proponent of health information technology and have proposed reforms to improve the quality, safety and efficiency of health care through the use of technology, I am unable to sign this bill. State agencies have already convened experts, developed a state policy agenda to implement and sustain the use of health information technology, and are engaged in a collaborative effort to target investments to increase provider capacity to use health information technology. My comprehensive health care reform proposal would expand this work by increasing the use of standardized personal health records and electronic health records, and ensuring California's health providers have the capacity to e-prescribe by the year 2010. For these reasons, I am returning Senate Bill 320 without my signature. Sincerely, Arnold Schwarzenegger